

## Message Text

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ACTION EB-07

INFO OCT-01 AF-08 EUR-12 EA-07 ISO-00 AID-05 CIAE-00

COME-00 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05

SS-15 STR-04 CEA-01 /095 W

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R 061304Z OCT 76

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 9106

INFO EC COLLECTIVE 96

AMEMBASSY MANILA

AMEMBASSY PRETORIA

LIMITED OFFICIAL USE THE HAGUE 5517

E.O. 11652: N/A

TAGS: EFIN

SUBJ: NETHERLANDS DROPS POLITICAL RISK INSURANCE FOR SOUTH AFRICA

1. DUTCH FINANCE MINISTER DUISENBERG ANNOUNCED IN RESPONSE TO A QUESTION FROM PARLIAMENT THAT THE DUTCH GOVERNMENT WILL NO LONGER REINSURE THE POLITICAL RISK FOR MEDIUM AND LONGER TERM CREDITS TO SOUTH AFRICA. DUISENBERG HAS STRESSED THAT ACT IS NON-POLITICAL AND THAT GOVERNMENT IS ONLY ACTING AS AN INSURANCE COMPANY FACED WITH SHARP INCREASE IN RISK. REINSURANCE OF CREDITS UP TO 12 MONTHS WILL NOT BE AFFECTED.

2. DESPITE A DECLINE IN OVERALL DUTCH EXPORTS TO SOUTH AFRICA FROM 590 MILLION GUILDERS (\$1.00 EQUALS 2.55 GUILDERS) IN 1974 TO 550 MILLION GUILDERS IN 1975, CAPITAL GOODS EXPORTS INCREASED FROM 180 MILLION GUILDERS TO 280 MILLION. THE WITHDRAWAL OF REINSURANCE FOR POLITICAL RISK CAN BE EXPECTED SHARPLY TO REDUCE THIS FIGURE.

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3. COMMENT: THE CONVENTION THAT THIS DECISION WAS NON-

POLITICAL IS NOT CREDIBLE IN LIGHT OF PROVISION OF POLITICAL RISK COVERAGE IN OTHER HIGHER RISK COUNTRIES. THE POLITICAL REASONS FOR THE MOVE, SEEM PRIMARILY DOMESTIC BUT MAY ALSO REFLECT AN EFFORT BY THE DUTCH TO BRING PRESSURE ON SOUTH AFRICA.  
MCCLOSKEY

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INSURANCE, CREDIT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 OCT 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MartinML  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976THEHA05517  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760377-0297  
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**Handling Restrictions:** n/a  
**Image Path:**  
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**Office:** ACTION EB  
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**Original Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Authority:** MartinML  
**Review Comment:** n/a  
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**Review Date:** 04 MAY 2004  
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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NETHERLANDS DROPS POLITICAL RISK INSURANCE FOR SOUTH AFRICA  
**TAGS:** EFIN, NL, SF  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006